Setting up a water supply project in Tirupur

4094. DR. ALLADI P. RAJKUMAR : Will the Minister of TEXTILES be pleased to state :

(a) whether Tirupur's ability to manufacture textiles are facing great danger on account of water scarcity; and

(b) if so, the action proposed to set up a water supply in Tirupur to meet the demand of Indian Government export industry as well as save the labour from retrenchment ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR) : (a) and (b) As per the information received from the Government of Tamil Nadu, the textile manufacturing activities in Tirupur have not been affected on account of scarcity of water nor has there been any labour retrenchment. However, in order to improve the water availability position and to enable the Textile Industry to face global competition, the Government of Tamil Nadu have decided to implement an integrated Water Supply and Sewerage Scheme. For this purpose, a Special Purpose Vehicle known as New Tirupur Area Development Corporation Ltd. (NTADCL) was formed for implementing the project on a Build, Own, Operate and Transfer (BOOT) basis.

Imposing three different duty structure on Textile Industry

4095. SHRI RUMANDLA RAMACHANDRAIAH :
SHRIMATI VANGA GEETHA : Will the Minister of TEXTILES be pleased to state :

(a) whether Federation of All India Textile Manufacturers' Association has criticised Government for imposing three different duty structures on the textile industry;

(b) if so, whether Federation has urged the Government to remove *ad valorem* duty to ensure a level-playing field;

(c) if so, whether from 1st May, 2001, there would be three different systems prevailing;

(d) if so, whether Government have considered the request of Federation; and

(e) if so, by when final decision will be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR) : (a) to (e) In the Union Budget 2001-02, the stenter-chamber based compounded levy for independent processors was withdrawn. Subsequently, various representations, including the representation from Federation of All India Textile Manufacturers Association, were received. These proposals were examined on merit and suitable recommendations were made. Subsequently, stenter-chamber based compounded levy was introduced with effect from 1st May, 2001 with certain conditions. The independent processors having capital investment in plant and machinery upto Rs. 3.00 crore have been given the option to pay the excise duty on *ad valorem* basis as given to other independent processors or to pay compounded levy on stenter-chamber basis w.e.f. 1st May, 2001.

Action for revival of viable NJMC mills

4096. SHRIMATI CHANDRA KALA PANDEY :
SHRI DIPANKAR MUKHERJEE :

Will the Minister of TEXTILES be pleased to state :

(a) whether in BIFR hearing on 27th June, 2001, BIFR has again given an opportunity to NJMC/Government of India to submit a tied-up proposal for revival of NJMC mills;

(b) whether Government is taking suitable action for revival of viable NJMC mills on their own; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR) : (a) Yes, Sir.

(b) and (c) No, Sir. A study about the techno-economic viability of NJMC units by IJIRA indicated that only three mills are viable, that too in the private sector. However, with a view to protect employment and to safeguard interests of the permanent workers, it was submitted before BIFR that all the six units may be offered, in order of preference to workers' cooperatives first, failing which to State Governments, public sector/private sector for running these mills. It is envisaged that the mills will be handed over with the condition that they will continue to run these mills at least for 10 years and protect the interests of permanent workers. The BIFR in its last hearing held on 27-6-2001 has accepted the above proposal of Government and directed Operating Agency (IIBI) to prepare a draft revival Scheme.